



Cambridge Display Technology, Inc.
Building 2020
Cambourne Business Park
Cambridgeshire CB3 6DW
Attention: Hilary Charles

Cc: The Bank of New York
Corporate Trust Division
101 Barclay Street, 8th Floor West
New York, NY 10286
Attention: Odell Romeo

12 October 2007

Dear Hilary,

Re: Contest Notice in response to Disbursement Notice dated 27 September 2007

Pursuant to Section 4(f) of the Escrow Agreement dated 29 December 2004 between Cambridge Display Technology, Inc. ("**CDT**"), Opsys Management Limited and the Bank of New York (the "**Escrow Agreement**") and in response to the Disbursement Notice filed by CDT on 27 September 2007 (the "**Latest Disbursement Notice**"), Opsys Management Limited hereby notifies CDT that it contests claims made by CDT in that notice.

We contest the Latest Disbursement Notice on the grounds that it attempts to supersede a valid and existing Disbursement Notice dated 5 February 2005 (the "**First Disbursement Notice**"), which was subject to Contest Notice dated 10 February 2005 (certain mutually agreed disbursements having already been made under the claim in this First Disbursement Notice as related costs have crystallised). We do however accept that the Latest Disbursement Notice constitutes a valid letter of instruction as defined in clause (y) of section 4(e) of the Escrow Agreement and therefore consent to a disbursement of assets from the General Sub-account of the Escrow Fund. We note that any such disbursement will constitute all remaining assets in the General Sub-account.

While this has become an academic exercise since there will be no remaining assets in the Escrow Fund, we further contest the Latest Disbursement Notice for the following reasons:

1. The two Disbursement Notices dated 19 September 2007 were not properly filed and not therefore valid.
2. The second of the two Disbursement Notices dated 19 September relates to fees incurred in respect of a claim against CDT which is not an allowable claim under the terms of the Escrow Agreement.

In respect of the breakdown of costs attached to your email of 11 October, we agree that the costs in the first column (Opsys/Orrick) are allowable costs in respect of the First Disbursement Notice but reiterate that those shown in the second and third columns relate to the defence of claims made against CDT, not Opsys Limited, and are not therefore covered by the Escrow Agreement.

Notwithstanding our consent to the disbursement under the First Disbursement Notice, we would like to inform you that we are in receipt of a Turnover Petition dated 4 October 2007 from Sunnyside Development Company, LLC together with associated documents. This seeks possession of the assets held in the General Sub-Account. We understand that both you and the Bank of New York have been served with similar documents. Therefore while we hereby:

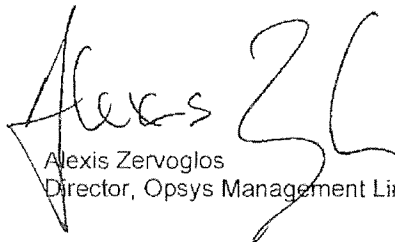
- a. agree that CDT has fulfilled its obligations under the Escrow Agreement in order to receive a disbursement under the First Disbursement Notice; and
- b. relinquish any claims we may have on the remaining assets held in the General Sub-account under the Escrow Agreement;

we are unable to comment on the validity of the claims in the Turnover Petition. As such, we would encourage CDT to ensure that any distribution from the General Sub-account satisfies all applicable laws.

I would be grateful if you could acknowledge receipt of this letter by signing and dating one copy and returning it to me at:

Opsys Management Limited
15 Ranelagh Grove
London SW1W 8PA
United Kingdom

Yours Sincerely,



Alexis Zervoglos
Director, Opsys Management Limited

Receipt is acknowledged by Cambridge Display Technology, Inc. acting by:

Name:

Title:

Date:

Receipt is acknowledged by the Bank of New York acting by:

Name:

Title:

Date: